

Vol. 1.

No. 3.

"THE NATIONALIZATION OF INDUSTRY AND THE PROMOTION OF THE BROTHERHOOD OF HUMANITY."—*Constitution of the Nationalist Club, Boston, Mass.*

# THE NATIONALIST JULY, 1889.

The Great French Centennial . . . . .	<i>Cyrus Field Willard</i>
Our Prospective Sovereigns . . . . .	<i>Edward Bellamy</i>
The Souls of the Children (Poem) . . . . .	<i>Charles Mackey</i>
The Wastefulness of Competition . . . . .	<i>Edward H. Sanborn</i>
Can We Popularize Absolute Justice? . . . . .	<i>S. W. Foss</i>
De Profundis (Poem) . . . . .	<i>Chester Wood</i>
Stinted Production . . . . .	<i>Hon. Jesse Cox</i>
Want (Poem) . . . . .	<i>George N. Miller</i>
Why the Name, Nationalism? . . . . .	<i>Sylvester Baxter</i>
Mastodon-Saurus (Poem) . . . . .	<i>Henry Willard Austin</i>
. . . . .	<i>Editorial Notes</i>
News of the Movement . . . . .	<i>Steps on the Road</i>
. . . . .	<i>Reviews</i>

PUBLISHED BY

THE NATIONALIST EDUCATIONAL ASSOCIATION,

No. 9 HAMILTON PLACE, BOSTON, MASS.

Copyright, 1889, by Nationalist Educational Association. Entered at the Boston Post-Office as second-class matter.

PRICE \$1.00 A YEAR

SINGLE NUMBERS 10 CENTS

## STINTED PRODUCTION.

The productive forces of the present day seem like a vast army of the giant Arabian Genii, ready slaves to fill the world with illimitable wealth for all, but manacled, or bottled up, by some mystic, demoniac foe of humanity.

Who and what is this foe, this preventer of the realization of human happiness? It is neither a man, nor a body of men; neither individuals nor classes: for no man or class would be powerful enough, fiendish enough, thus to shackle the powers of nature. We find the demon in the system of industry which now prevails; the system of production for profit. It is this system which, instead of stimulating the productive forces, throttles them, dwarfs their action, and limits their results to utter insignificance.

Let us for a moment examine this system, and see if these charges against it are not true. Under this system, the capitalist is the organizer of industry: and the realization of profit is his sole incentive to action. He stops production at the point where profit ceases. Therefore, no matter how great may be the capacity of the productive forces, in general, no larger an amount will be produced than can profitably be sold. Production is, therefore, limited by the market demand. If this limit be exceeded for any considerable time, loss, or even bankruptcy, must ensue.

It is the purchasing capacity of the *consumers* that makes this market demand. The mere *investor* does not permanently increase this market demand. He may stimulate production for a time by producing in excess of consumption; but he produces only that he may realize a profit on his investment; and he cannot realize such profit unless he sells to the consumer at a remunerative price either the article itself, or the use of it.

The purchasing capacity of consumers, being the measure of the market demand, is, therefore, the absolute limit of production under the existing system. If the amount of product is small, it is so only because the purchasing capacity of the whole body of consumers is small. Increase this purchasing capacity, no matter to what extent, and production will keep pace with it. Lessen it, and production must necessarily diminish in proportion. What makes and what limits this purchasing capacity of consumers? It is at this point that the demon appears in all its fiendishness.

Commodities are only labor stored up. An exchange of commodities, therefore, is only the exchange of labor for labor. Money is a commodity which forms no exception to this rule. When, therefore, the laborer exchanges his labor for money, or other commodity, he is exchanging merely labor for labor. In any *fair* exchange of labor for labor stored up in commodities, the laborer gets for his labor an equal amount of labor so stored up. That is to say, for the product of his labor, the laborer in a fair exchange will get the product of an equal amount of the labor either of himself or others. He will therefore get the full results of his own labor, or its equivalent. But under the profit system no worker can possibly receive the full results of his labor. If he did, there would be no profit for the capitalistic organizer of labor, and therefore no motive for the capitalist to risk his own capital and his own exertions in the organization of industry. The profit of the capitalist is, therefore, necessarily deducted from the results of the workers' labor, and only the remainder of these results is retained by the workers. As the profit thus deducted is great or small; as the expenses of the sale or distribution of the product,—that is, the cost of doing business, and the rents paid to the landlord,—are large or small, so is the amount deducted from the results of the labor of the workers greater or less. Competition among the laborers themselves fixes the amount which they retain from the results of their labor, at only such an amount, on the average, as will barely enable them to subsist. Thus the laborer gets but a small portion of what he produces, and what he does get, is, of course, all that he can exchange for labor stored up in money or other commodities. This is what constitutes his purchasing power; which is thus restricted to a very small portion of what he produces, or the equivalent of such small portion. This amount is all that he is permitted to consume. The introduction of new labor-saving machinery, by which is meant wage-saving machinery, deprives many thousands each year of the opportunity of earning anything at all.

The laborers, skilled and otherwise, constitute the great body of consumers. But the purchasing power of such of them as have employment at all, being thus limited to but a small part of what they in the aggregate produce, the remainder of their product must either be consumed by the capitalistic organizer of industry, and by non-producers, or else must remain unconsumed. As these latter classes cannot consume all this remainder, try as they will, we have almost continually before us the phenomenon of excessive, or as it is called, over-production; that is, production not in

excess of the needs of the people, but in excess of their purchasing capacity. This state of things results in the formation of combinations of the capitalistic organizers of industry, to restrict production within such limits that this surplus product can be disposed of from year to year, at remunerative prices, and the loss, which would otherwise occur, thus be avoided. But this restriction of production intensifies the evil it is designed to prevent; for it lessens the quantity of labor required, and therefore the amount of product which goes to the laborers: and so lessening their purchasing power, decreases the market demand. The surplus product must, therefore, still remain to a greater or less extent, in spite of the combinations and trusts; and production in proportion to population must thus ever be diminishing by reason of the diminishing purchasing power of the laborers.

There have been heretofore some causes which counteracted to some extent the operation of these principles. The opening up to settlement of new countries like the Mississippi Valley, and the vast investments in railways and other improvements thus made necessary and the introduction of new industries, like the rubber industry, which did not replace old ones have furnished employment for men who, otherwise, would have been forced to remain idle; thus maintaining their purchasing capacity which otherwise would have been destroyed, and enabling them to consume the surplus product. But these causes have long since become wholly insufficient to prevent the accumulation of these surplus products, and to furnish employment for the idle millions.

The trusts and combinations of capitalists in other ways reduce the purchasing capacity of the people. By the concentration of their means of production, they are enabled to produce larger amounts with a smaller number of men, throwing many out of work, and in most cases they increase the prices of all that the people must buy. They thus, with double force, restrict the purchasing capacity, and therefore the market demand.

These difficulties are intensified by the ever increasing productivity of labor, due to the constant introduction of new labor-saving machines, and improved industrial processes. The object of these is to save labor; that is, to diminish the amount to be paid in wages for a given product. According to reliable estimates, one man working with machinery, can now, on the average, in all lines of industry, produce as much as required the labor of twenty to thirty men fifty or sixty years ago.

But this increased productivity of labor, while it may to some extent

cheapen commodities, because less is paid for the labor to produce them, necessarily, and for this very reason, decreases the amount paid to the laborers as a body. The decrease in purchasing power, thus caused, necessarily lessens the market demand, and so again diminishes production. Thus, labor-saving machinery, which ought to be a blessing to all men, is, under the present system, only a means for the enrichment of the few and impoverishment of the many. The result is not an increase, but a diminution, of total production in proportion to population.

Thus it appears that from the very nature of the existing industrial system, production under it cannot possibly be in any way proportioned to the productive capacity of the country ; but must necessarily be extremely small in comparison, diminishing as the productive capacity of labor increases. This result is directly the opposite of what it ought to be, and what it would be under a sane system of industry.

It is clear that this evil of stinted production can readily be removed. All that it is necessary to do for its removal is to increase the purchasing power of the people, until such purchasing capacity equals the capacity of the productive forces, if so much is required to satisfy the wants of men. A system of industry that would give to each man and woman, who directly or indirectly bears his or her part in the work of production, an equal share in the results of the labor of all, would at once accomplish the desired object. And nothing less can accomplish it.

To do this, the system of production for profit must be abolished. Since from the essential nature of that system, the purchasing power of the masses can never be permanently increased so long as it is retained. In its place a system of production for use must be established, under which the action of the productive forces would be limited only by the product required to satisfy the needs and desires of the whole people. A system of production for use necessitates the establishment of such institutions as will enable men to co-operate with each other on equal terms, by promoting the fair exchange of labor for labor ; securing to each the full results of his labor. Such co-operative institutions as are required must necessarily be coextensive with the whole country ; and hence the State, which is all the people organized, is the only proper agent to establish these institutions ; enabling those who wish to do so, to co-act with each other in a system of production for use and not for profit. This would soon amount to an orderly organization of all the people under the State for industrial purposes ; and this for the reason, that it is infinitely preferable

to work under a system which guarantees to the worker the whole results of his labor, than to work under a system which enables him to get only a small part of those results. The co-operative system, under state organization of industry, would then immediately become universal throughout the nation, securing wealth and happiness for all. This is the nationalizing of industry for which we are working.

How vain and illusory, then, are the fears of the middle class that the organization of industry by the nation would diminish their comforts! It would, on the contrary, increase them beyond measure. For not only would their incomes be increased in most cases, but there would be established a condition of universal security; of trust by man in man; of freedom from the anxieties which today wear out the lives, even of the wealthy. This condition would be a paradise compared with the opposite state of society which exists today.

The present system, by depriving the great majority of all hope of rising above the condition in which they barely subsist, in a cheerless round of labor and suffering, keeps the millions on a dead level of hopeless degradation, sapping their natural energies; and requiring them to be driven unwillingly to exhausting toil by the wage-slave-drivers' lash of hunger. That such poor wretches should seek temporary solace in narcotics and intoxicants is not to be wondered at. That they should labor with that elasticity of energy which characterizes men who are producing for their own use, and obtaining all that they produce, is not to be expected.

Nationalism would give to each man and woman an interest equal to that of any other in the production of all. It would thus make it the direct interest of all that the joint product should be as large as possible. This would be a direct stimulus to exertion, which is wholly absent now; for, as has been shown, the workers under the present system, lose rather than gain by the increased productivity of their labor. Nationalism would make it the interest of each to see that no others shirked their duty: for a dereliction of duty on the part of one would lessen the joint product, and thus be an injury to all. Public opinion would, therefore, brand the idler as it now brands the thief, as unworthy to associate with his fellows; and would visit upon him, who wilfully and continually disobeyed the reasonable regulations of the industrial society, a punishment sufficiently severe, by depriving him of the benefits of such society.

But above and beyond all these lesser motives to exertion, by the removal of the antagonisms of interest, the religion of brotherhood, and the

sentiments of mutual duty and sympathy, would then for the first time in the World's history, be fully realized by all men ; and these, stimulating mankind to higher aims and nobler actions in the cause of humanity than have heretofore been deemed possible, would leave mere selfish motives far out of sight, and assure to the race a state of felicity and progress such as has never yet been dreamed of in our philosophy.

JESSE COX.

WANT.

They do not starve alone, who for the need  
Of daily bread grow faint and gaunt and pale,  
And take, despairing, the dark roads that lead  
Beyond the veil.

They do not freeze alone, who for the lack  
Of warmth which hearths and garments magnify,  
From life's cold thoroughfares shrink trembling back  
In haste to die.

They starve who have not Love to bear them up :  
They freeze who know not Love's divine caress :  
The want of Love ! It gives life's bitterest cup  
Its bitterness.

Yet lo ! Love's voice, so long by strife kept dumb,  
Shall wake earth's millions with resistless call :  
I hear Her cry : " Ho ! brothers, sisters, come !  
I claim you all ! "

GEORGE N. MILLER.